

ORIGINAL

NEW APPLICATION



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AZ CORP COMMISSIONER
DOCKET CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

KRISTIN K. MAYES, CHAIRMAN **DOCKETED**

GARY PIERCE

PAUL NEWMAN

SANDRA D. KENNEDY

BOB STUMP

JUL 17 2009

DOCKETED BY

nr

W-01431A-09-0360

APPLICATION OF ESTATE OF
WILLIAM F. RANDALL DBA VALLE
VERDE WATER COMPANY FOR AN
INCREASE IN ITS WATER RATES

Docket No. W-01431A-09-

RATE APPLICATION

The Estate of William F. Randall, dba Valle Verde Water Company ("Company"
or "Applicant"), hereby applies for an increase in its water rates.

PRELIMINARY STATEMENT

In late 2007, the Arizona Corporation Commission ("Commission") appointed
Southwestern Utility Management, Inc. ("Southwestern") to serve as the interim manager
to address numerous financial, operational, and managerial issues. One of the primary
issues facing the Company then and now is that the source water for Well Nos. 1, 2, and
7 is contaminated with Volatile Organic Chemicals (VOCs) and cannot be utilized.

1 Meanwhile, the source water for Well Nos. 5 and 6 needs to be treated due to high
2 arsenic levels, which fluctuate between 9 and 13 ppb. Until recently, the Company had to
3 purchase water from the City of Nogales at a cost that exceeded what the Company could
4 charge its customers, thereby causing the Company to incur substantial debt.
5

6 During the past year, Southwestern has been working with the Commission, the
7 Arizona Department of Environmental Quality, and various engineers to assess the
8 system, identify its needs, and secure financing to address those needs. The Company
9 believes it will require an estimated \$1,063,478.00 as determined by engineers who
10 evaluated the systems to make the necessary improvements. See Exhibit 1. The
11 Company has already applied to the Water Infrastructure Finance Authority ("WIFA")
12 for a loan and WIFA placed the Company on its Drinking Water Revolving Fund Priority
13 List.
14
15
16

17 **SUPPORTING DOCUMENTATION**

18 Pursuant to A.A.R. Rule 14-2-103, the Company submits the following
19 documentation in support of the proposed increase in rates and charges:
20

- 21 • Direct Testimony of Sonn S. Rowell (see Exhibit 2);
- 22 • Required Schedules, Statements, and Documentation (see Exhibit 3);
- 23 • Water Use Data Sheets (see Exhibit 4);
- 24 • Plant Descriptions (see Exhibit 5);
- 25 • ADEQ Compliance Status Report (see Exhibit 6); and
- 26 • Monitoring Assistance Program Sampling Fee Invoice (see Exhibit 7).
- 27
- 28

1 RESPECTFULLY SUBMITTED this 17th day of July, 2009.

2 **MOYES SELLERS & SIMS**

3
4 

5 Steve Wene

6 Attorneys for Valle Verde Water Company

7
8 Original and 13 copies of the foregoing
9 filed this 17th day of July, 2009, with:

10 Docket Control
11 Arizona Corporation Commission
12 1200 West Washington
13 Phoenix, Arizona 85007

14 Copy of the foregoing mailed this
15 17th day of July, 2009, to:

16 Janice Alward, Chief Counsel
17 Legal Division
18 Arizona Corporation Commission
19 1200 W. Washington Street
20 Phoenix, Arizona 85007

21 Ernest Johnson, Director
22 Utilities Division
23 Arizona Corporation Commission
24 1200 West Washington Street
25 Phoenix, Arizona 85007

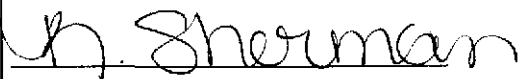
26
27 
28

EXHIBIT 1



OPINION OF PROBABLE COSTS - RATE INCREASE

30-Mar-09

WIFA TAG - Capital Improvements Plan
Valle Verde Water Company

Item No	Item Description	Unit	Quantity	Unit Cost	Extended Cost	Notes
	Remove and Replace 2-inch Distribution Mains with 6-inch Mains					
1	Mobilization Demobilization	LS	1	\$ 20,000.00	\$ 20,000.00	
2	New 6-Inch Class 200 PVC Pipe	LF	1500	\$ 55.00	\$ 82,500.00	
3	New 6-Inch Gate Valve Assembly	EA	3	\$ 2,500.00	\$ 7,500.00	
4	New 1/2" Air Release Valve Assembly	EA	3	\$ 1,500.00	\$ 4,500.00	
	Interconnect Well #4 to Well #2					
5	New 6-Inch Class 200 PVC Pipe	LF	1500	\$ 30.00	\$ 45,000.00	
6	New 6-Inch Gate Valve Assembly	EA	3	\$ 2,500.00	\$ 7,500.00	
7	New 1/2" Air Release Valve Assembly	EA	3	\$ 1,500.00	\$ 4,500.00	
	Install PRV Station					
8	PRV Station	EA	2	\$ 10,000.00	\$ 20,000.00	
	Install Arsenic Treatment System					
9	Treatment System 450-500 gpm)	EA	1	\$ 300,000.00	\$ 300,000.00	
10	Site Electrical	EA	1	\$ 22,500.00	\$ 22,500.00	
11	Shade Structure	EA	1	\$ 17,500.00	\$ 17,500.00	
	Plug and Abandon Wells					
12	Plug and Abandon Wells	LS	1	\$ 10,000.00	\$ 10,000.00	
	Miscellaneous Pipe Replacement					
13	Mobilization Demobilization	LS	1	\$ 20,000.00	\$ 20,000.00	
14	New 6-Inch Class 200 PVC Pipe	LF	500	\$ 55.00	\$ 27,500.00	
15	New 6-Inch Gate Valve Assemble	EA	1	\$ 2,500.00	\$ 2,500.00	
16	New 1/2" Air Release Valve Assembly	EA	1	\$ 1,500.00	\$ 1,500.00	
	Relocate Main and Service Lines to Public R-O-W					
17	New 6-Inch Class 200 PVC Pipe	LF	1200	\$ 55.00	\$ 66,000.00	
18	New 6-Inch Gate Valve Assembly	EA	2	\$ 2,500.00	\$ 5,000.00	
19	New 1" Service Line and Appurtenances	EA	25	\$ 1,250.00	\$ 31,250.00	
20	Sawcut, Remove and Replace Pavement/Sidewalk	SY	500	\$ 40.00	\$ 20,000.00	
	New Water Service Lines					
21	New 1" Service Line and Appurtenances	EA	25	\$ 1,250.00	\$ 31,250.00	
	Replace Water Meters					
22	New 1" Lockable Water Meter	EA	25	\$ 300.00	\$ 7,500.00	
	Install Fire Hydrant Locks					
23	New 1" Lockable Water Meter	EA	10	\$ 500.00	\$ 5,000.00	
	Water Model Calibration and Maintenance					
24	Site Visits (2 per year)	EA	2	\$ 900.00	\$ 1,800.00	
25	Fire Flow Tests	EA	2	\$ 900.00	\$ 1,800.00	
26	Model Calibration	EA	2	\$ 1,000.00	\$ 2,000.00	
	System Map Maintenance					
27	Site Visits (3 per year)	EA	3	\$ 900.00	\$ 2,700.00	
					\$ 767,300.00	
	Administration and Legal Expenses	2% of Construction Cost		\$	15,346.00	
	Land, Structures, and Right-Of-Way	NA		\$	-	
	Relocations	NA		\$	-	
	Arch and Engineering Fees	8% of Construction Cost		\$	61,384.00	
	Other A and E Fees (Survey, Geotech, etc)	2% of Construction Cost		\$	15,346.00	
	Project Inspection Fees	3.5% of Construction Cost		\$	26,855.50	
	Subtotal			\$	886,231.50	
	Contingencies, 20%			\$	177,246.30	
	Total Project Costs				\$ 1,063,478.00	

EXHIBIT 2

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2

3 **COMMISSIONERS**

4 KRISTIN K. MAYES, CHAIRMAN

5 GARY PIERCE

6 PAUL NEWMAN

7 SANDRA D. KENNEDY

8 BOB STUMP

9 APPLICATION OF ESTATE OF
10 WILLIAM F. RANDALL DBA VALLE
11 VERDE WATER COMPANY FOR AN
12 INCREASE IN ITS WATER RATES

**DIRECT TESTIMONY OF
SONN S. ROWELL**

13

14 **Q-1 Please state your name and current employment position:**

15 **A-1 My name is Sonn S. Rowell, and I am a Certified Public Accountant and**
16 managing member of Desert Mountain Analytical Services PLLC.

17

18 **Q-2 Describe your educational and professional background:**

19 **A-2 I have a Bachelor of Science Degree in Accounting from Arizona State University,**
20 as well as my CPA certification from the Arizona State Board of Accountancy. I
21 have worked for many years in the practice of public accounting, and have held
22 part-time teaching positions at Mesa Community College. After employment with
23 the Utilities Division of the Arizona Corporation Commission for four years, I
24 started DMAS and now specialize in regulatory accounting and consulting.

25

26

27

28

1 **Q-3 By whom are you employed and in what capacity?**

2 **A-3** I have been retained by Valle Verde Water Company to perform a financial
3
4 analysis of their books and records in order to prepare rate and finance
5 applications for submittal to the Arizona Corporation Commission.

6 **Q-4 What is the purpose of your testimony?**

7 **A-4** The purpose of my testimony is to present my analysis and recommendations
8
9 concerning the development of the Company's gross revenue requirements taking
10 into account adjusted rate base, adjusted operating income, working capital
11 requirements, current rate of return, required operating income required rate of
12 return for the historic twelve month period, and other relevant factors as well as to
13 sponsor certain exhibits in support of the rate and finance applications.
14

15 **Q-5 Please summarize the Company's proposal.**

16 **A-5** The Company is seeking an increase in gross revenue of \$497,753, or a rate
17 increase of 109%, for its customers to pay for needed system improvements set
18 forth in Exhibit 1 of the rate application.
19
20

21 **Q-6 What is the basis for your recommendation?**

22 **A-6** I analyzed the Company's records to determine its revenues and expenses during
23 the test year ending December 31, 2008. Next, I calculated a reasonable rate in
24 order to ensure the Company can earn sufficient revenue to pay the debt service on
25 the proposed WIFA loan and provide adequate and reliable water service. Based
26 upon my analysis, I have prepared the schedules in accordance with A.A.C. Rule
27
28

1 14-2-103 that are set forth in Application Exhibit 3, which I adopt as part of my
2 testimony.
3

4 **Q-7 To calculate the revenue requirement, did you apply the typical rate of return**
5 **method?**

6 **A-7** No. I calculated the revenue requirement based upon operating margin as opposed
7 to the typical rate of return method. Using typical ratemaking methods, relying
8 ~~solely upon the operating income and rate of return would produce only \$62,022~~
9 of operating income. However, the interest expense is projected to be \$53,636
10 annually, so this scenario of determining the revenue requirement would only
11 produce \$8,386 of net income.
12

13 **Q-8 Why did you feel your approach is warranted?**
14

15 **A-8** Several factors affected my decision on how to calculate the revenue requirement,
16 and to include lines 9 through 12 on the Schedule A-1:

- 17 • First, the Company is currently in a precarious financial position. Per
18 Schedule E-2, it has lost in excess of \$600,000 over the past three years,
19 and is on course to lose money again this year.
20
- 21 • Second, the Company is held in the estate of William F. Randall for now,
22 and as a result, does not have an owner, per se, to inject capital. As
23 reflected on Schedule E-1, the Company has substantial negative equity,
24 also for several years. I do not anticipate that situation changing in the near
25 future, which leaves the Company fewer options for urgent, short-term
26 financing.
27
28

- 1 • Third, as delineated on Schedule E-1, the Company has a substantial
2 amount of Advances in Aid of Construction. There are large repayment
3 amounts due each year that must be considered in the final operating
4 income amount so those obligations can be met.
5
- 6 • Finally, Schedule E-1 shows the increasing balance in Accounts Payable.
7 Without the additional operating income produced by the operating margin
8 method, the Company would never be able to get current with its vendors,
9 which could result in other complications.
10

11 **Q-9 Regarding Application Schedule A-2, why do you state that the ratios (7-15)**
12 **are not meaningful?**

13 **A-9** Due to the substantial amount of negative equity, the ratio amounts are negative,
14 and therefore, not meaningful.
15

16 **Q-10 Regarding Application Schedule B-2, please explain the proforma plant**
17 **adjustment for \$1,063,478.**

18 **A-10** The Company has simultaneously submitted a financing application to borrow
19 money from WIFA to make substantial plant replacements and upgrades,
20 including arsenic treatment, as detailed in the financing application and
21 Application Exhibit 1.
22

23 **Q-11 Regarding Application Income Statement C-1, why was the adjustment (A) to**
24 **metered water revenue for \$11,928 made?**

25 **A-11** An emergency surcharge in the amount of \$1.73 per 1,000 gallons went into effect
26 with the February 2008 billing. The adjustment reflects the amount of revenue the
27 surcharge would have generated had it been in effect in January of 2008.
28

1 **Q-12 In that same statement, why was rate case expense increased by \$8,333?**

2 **A-12** Expenses related to this rate case and the associated financing application are
3
4 estimated to be at least \$25,000 to \$30,000. The adjustment is based upon
5 \$25,000 amortized over three years.

6 **Q-13 What are factors in the \$39,214 adjustment to depreciation expense?**

7 **A-13** The adjustment is comprised of two things. Revised proposed depreciation rates
8
9 based upon Staff's standard recommended rates, and proforma depreciation
10 expense for the plant improvements to be constructed with the proceeds of the
11 WIFA loan.

12 **Q-14 Is there an exception to the normal Staff approved rates?**

13 **A-14** Yes, as reflected on the Utility Plant in Service and Depreciation Expense
14
15 Schedule that is part of the financing application, the depreciation rate of 3.61%
16
17 for account 330 - Distribution Reservoirs and Standpipes, is an average.

18 **Q-15 Can you explain why this average was used for this account?**

19 **A-15** Yes. Staff now separates account 330 into account 330.1 – Storage Tanks, with a
20
21 depreciation rate of 2.22%, and account 330.2 – Pressure Tanks, with a
22
23 depreciation rate of 5.00%. Due to the fact that the Company does not have
24
25 information to determine how the total in account 330 of \$366,501 should be
26
27 allocated between the 330.1 and 330.2, the average of the two depreciation rates
28
was used as the Company proposed rate for account 330.

1 **Q-16 Adjustment D increases interest expense by \$52,452, please explain.**

2 **A-16** The WIFA loan of \$1,063,478 is amortized over a 20 year term at 5% interest. As
3
4 the final terms of the loan have yet to be determined, these amounts are estimates.

5 **Q-17 Why do you not anticipate any additional capital investments from the**
6
7 **owners of Valle Verde?**

8 **A-17** The Company, for many years, operated as a sole proprietorship owned by

9 William F. Randall. Upon his passing, the company became part of his estate, and
10
11 is currently involved in litigation. Until the ownership issues are settled, no
12
13 investments are anticipated to be made by the parties involved.
14
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EXHIBIT 3

INDEX OF SCHEDULES FOR CLASSES A, B, AND C UTILITIES

Summary	A-1	Computation of Increase in Gross Revenue Requirements
Schedules	A-2	Summary Results of Operations
	A-3	Summary of Capital Structure (A&B only)
	A-4	Construction Expenditures and Gross Utility Plant In Service
	A-5	Summary Changes in Financial Position (A&B only)
Rate Base	B-1	Summary of Original Cost and RCND
Schedules	B-2	Original Cost Rate Base Proforma Adjustments
	B-3	RCND Rate Base Pro forma Adjustments
	B-4	RCND by Major Plant Accounts
	B-5	Computation of Working Capital
Income Stmt	C-1	Adjusted Test Year Income Statement
	C-2	Income Statement Proforma Adjustments
	C-3	Computation of Gross Revenue Conversion Factor
Cost of Capital	D-1	Summary Cost of Capital
	D-2	Cost of Long Term and Short Term Debt (A&B only)
	D-3	Cost of Preferred Stock (A&B only)
	D-4	Cost of Common Equity (A&B only)
Finan Stmt/	E-1	Comparative Balance Sheet
Statis Analysis	E-2	Comparative Income Statements
	E-3	Comparative Statement of changes in Financial Position (A&B only)
	E-4	Statement of Changes in Stockholders' Equity (A&B only)
	E-5	Detail of Utility Plant
	E-6	Comparative Departmental Operating Income Statements (Combo Utilities only)
	E-7	Operating Statistics
	E-8	Taxes Charged to Operations
	E-9	Notes to Financial Statements
Projections and	F-1	Projected Income Statements - Present and Proposed Rates
Forecasts	F-2	Projected Changes in Financial Position - Present and Proposed Rates (A&B only)
	F-3	Projected Construction Requirements (A&B - 3 years, C&D - 1 year)
	F-4	Assumptions Used in Developing Projections
Cost of Service Analysis	G-1 through G-7	are a "Special Requirement"
Bill Counts	H-1	Summary of Revenues by Customer Class - Present and Proposed Rates
(separate file)	H-2	Analysis of Revenues by Detailed Class of Service - Present and Proposed Rate Classes (A&B only)
	H-3	Changes In Representative Rate Schedules
	H-4	Typical Bill Analysis
	H-5	Bill Count

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: A-1
Title: Computation of Increase in Gross Revenue Requirements.

Explanation:
Schedule showing computation of increase in gross revenue requirements and spread of revenue increase by customer classification.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Special Reqmt	<input type="checkbox"/>

	<u>Original Cost</u>	<u>RCND</u>
1. Adjusted Rate Base	\$ 516,847 (a)	(a)
2. Adjusted Operating Income	\$ (301,837) (b)	(b)
3. Current Rate of Return	0.00%	
4. Required Operating Income	\$ 62,022	
5. Required Rate of Return	12.00%	
6. Operating Income Deficiency (4 - 2)	\$ 363,859	
7. Gross Revenue Conversion Factor	1.0528 (c)	(c)
8. Increase in Gross Revenue Requirements (6 x 7)	\$ 383,087	
9. Required amount for operating expenses	\$ 757,186	
10. Operating Margin amount	20.56%	
11. Proposed Revenue Requirement	\$ 953,101	
12. Increase in Gross Revenue Requirements	\$ 497,753	

<u>Customer Classification</u>	<u>Revenue at Present Rates</u>	<u>Revenue at Proposed Rates</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>	
Residential	\$ 302,452	\$ 622,554	\$ 320,101	105.84%	(d)
Commercial	152,896	330,547	177,651	116.19%	
Industrial	-	-	-		
Total	\$ 455,348	\$ 953,101	\$ 497,753	109.31%	

Note: For combination utilities, the above information should be presented in total and by department.

Supporting Schedules:

(a) B-1 (c) C-3

(b) C-1 (d) H-1

Valle Verde Water Company

Test Year Ended December 31, 2008

Schedule: A-2
Title: Summary Results of Operations

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Speci Reqmt	<input type="checkbox"/>

Explanation:

Schedule showing comparative operating results for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Description	<u>Prior Years</u>		<u>Test Year</u>		<u>Projected Year</u>	
	Year End	Year End	Actual	Adjusted	Present	Proposed
	31-Dec-06	31-Dec-07	Rates	Rates	Rates	Rates
	(a)	(a)	(a)	(b)	(c)	(c)
1. Gross Revenues	\$ 256,206	\$ 295,555	\$ 443,420	\$ 455,348	\$ 455,348	\$ 953,101
2. Revenue Deductions & Operating Expenses	(364,095)	(537,605)	(709,638)	(757,186)	(757,186)	(757,186)
3. Operating Income	(107,889)	(242,050)	(266,218)	(301,837)	(301,837)	195,915
4. Other Income and Deductions	-	1,227				
5. Interest Expense	-	-	(1,184)	(53,636)	(53,636)	(53,636)
6. Net Income	\$ (107,889)	\$ (240,823)	\$ (267,402)	\$ (355,474)	\$ (355,474)	\$ 142,279

7. Earned Per Average Common Share*
8. Dividends Per Common Share*
9. Payout Ratio*
10. Return on Average Invested Capital
11. Return on Year End Capital
12. Return on Average Common Equity
13. Return on Year End Common Equity
14. Times Bond Interest Earned - Before Inc Tax
15. Times Total Interest and Preferred Dividends Earned - After Income Taxes

Ratios not meaningful due to negative equity amount.

Supporting Schedules:

- (a) E-2
- (b) C-1
- (c) F-1

*Optional for projected year

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: A-4
Title: Construction Expenditures and
Gross Utility Plant in Service

Explanation:
Schedule showing construction expenditures, plant placed
in service and gross utility plant in service for the test year
and the 2 fiscal years ended prior to the end of the test year,
compared with the projected year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Year	Construction Expenditures (a)	Net Plant Placed In Service (b)	Gross Utility Plant In Service
1. Prior Year 1 - 2006	\$ 5,179	\$ 5,179	\$ 2,392,226
2. Prior Year 2 - 2007	68,842	19,553	2,411,779
3. Test Year - 2008	425,173	446,829	2,858,608
4. Projected Year - 2009	244,731	263,029	3,121,637
5. Projected *			
6. Projected *			

*** Required only for Class A and B Utilities**

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

- (a) F-3
- (b) E-5

Valle Verde Water Company
 Test Year Ended December 31, 2008

Schedule: B-1
Title: Summary of Original Cost
and RCND

Explanation:
 Schedule showing elements of adjusted original cost
 and RCND rate bases.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

	Original Cost		RCND
	Rate Base*		Rate Base*
1. Gross Utility Plant in Service	\$ 3,922,086		
2. Less: Accumulated Depreciation	<u>(1,461,206)</u>		
3. Net Utility Plant in Service	\$ 2,460,880 (a)		(b)
Less:			
4. Advances in Aid of Construction	1,518,730 (c)		(c)
5. Contributions in Aid of Construction	477,508 (c)		(c)
Add:			
6. Allowance for Working Capital	<u>52,205 (d)</u>		(d)
7. Total Rate Base	\$ 516,847 (e)		(e)

* Including pro forma adjustments

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:
 (a) B-2 (d) B-5
 (b) B-3
 (c) E-1

Recap Schedules:
 (e) A-1

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: B-2
Title: Original Cost Rate Base
Proforma Adjustments

Explanation:

Schedule showing pro forma adjustments to gross plant
in service and accumulated depreciation for the original
cost rate base.

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

	<u>Actual at End</u>	<u>Pro forma</u>	<u>Adjusted at End</u>
	<u>Of Test Year (a)</u>	<u>Adjustment</u>	<u>Of Test Year (b)</u>
1. Gross Utility Plant in Service	\$ 2,858,608	\$ 1,063,478	1 \$ 3,922,086
2. Less: Accumulated Depreciation	(1,461,206)		(1,461,206)
3. Net Utility Plant in Service	\$ 1,397,402	\$ 1,063,478	\$ 2,460,880

All pro forma adjustments should be adequately explained on this schedule or on attachments hereto.

- 1 Adjustment to include plant improvements constructed from proceeds of WIFA loan.

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) E-1

Recap Schedules:

(b) B-1

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: B-5
Title: Computation of Working Capital

Explanation:
Schedule showing computation of working capital allowance.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

	<u>Amount</u>
1. Cash working capital	
1/24th Purchased Power	\$ 1,592
1/24th Purchased Water	7,798
1/8th Operation & Maintenance Expense	42,815
2. Materials and Supplies Inventories	- (a)
3. Prepayments	- (a)
4. Total Working Capital Allowance	<u>\$ 52,205 (b)</u>

NOTES:

1. Adequate detail should be provided to determine the bases for the above computations.
2. Adjusted test year operating expenses should be used in computing cash working capital requirements.
3. Combination utilities should compute working capital allowances for each department.

Supporting Schedules:
(a) E-1

Recap Schedules:
(b) B-1

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: C-1
Title: Adjusted Test Year Income Statement

Explanation:
Schedule showing statement of income for the test year,
including pro forma adjustments.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqrmt	<input type="checkbox"/>

Description	Actual for Test Year Ended (a) 31-Dec-08		Proforma Adjustments (b)	Test Year Results After Pro Forma Adjustments	Proposed Rate Increase	Adjusted Test Year With Rate Increase
Operating Revenues:						
461 Metered Water Revenue	\$ 437,387	A	\$ 11,928	\$ 449,315	\$ 497,753	\$ 947,068
474 Other Water Revenue	6,033			6,033		6,033
Total Operating Revenue	\$ 443,420		\$ 11,928	\$ 455,348	\$ 497,753	\$ 953,101
Operating Expenses:						
601 Salaries & Wages	\$ 71,814			\$ 71,814		\$ 71,814
610 Purchased Water	187,158			187,158		187,158
615 Purchased Power	38,214			38,214		38,214
618 Chemicals	919			919		919
620 Repairs & Maintenance	58,561			58,561		58,561
621 Office Supplies and Expense	18,166			18,166		18,166
630 Outside Services	152,005			152,005		152,005
635 Water Testing	10,447			10,447		10,447
641 Rental Expense				-		-
650 Transportation Expense	10,277			10,277		10,277
657 Insurance - General Liability	10,940			10,940		10,940
659 Insurance - Health and Life				-		-
666 Rate Case Expense		B	8,333	8,333		8,333
675 Miscellaneous Expense	1,056			1,056		1,056
403 Depreciation & Amortization	127,449	C	39,214	166,663		166,663
408 Property Taxes	14,129			14,129		14,129
408.11 Taxes Other Than Income	8,503			8,503		8,503
409 Income Taxes				-		-
Total Operating Expenses	\$ 709,638		\$ 47,547	\$ 757,186	\$ -	\$ 757,186
OPERATING INCOME/(LOSS)	\$ (266,218)		\$ (35,619)	\$ (301,837) (c)	\$ 497,753	\$ 195,915
Other Income/(Expense):						
419 Interest Income	\$ -		\$ -	\$ -	\$ -	\$ -
427 Interest Expense	(1,184)	D	(52,452)	(53,636)		(53,636)
Total Other Income/(Expense)	\$ (1,184)		\$ (52,452)	\$ (53,636)	\$ -	\$ (53,636)
NET INCOME/(LOSS)	\$ (267,402)		\$ (88,071)	\$ (355,474)	\$ 497,753	\$ 142,279

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:
(a) E-2 (b) C-2

Recap Schedules:
(c) A-1

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: C-2
Title: Income Statement Proforma
Adjustments

Explanation:
Schedule itemizing pro forma adjustments to the test year
income statement.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Adj No.	Explanation of Adjustment	Adjustment Amount
A	Increase revenue to include surcharge on gallonage purchased in January 2008. 6,895,000 gallons sold times \$1.73 per thousand gallons =	\$ 11,928
B	Increase Rate Case Expense to include \$25,000 amortized over three years.	8,333
C	Increase depreciation to reflect proposed depreciation rates as well as plant improvements to be constructed with proceeds of WIFA loan.	39,214
D	Increase interest expense to include proforma adjustment for WIFA loan based on estimated terms.	52,452
	Total net proforma adjustment to Schedule C-1	\$ (88,071)

Note: All pro forma adjustments should be adequately explained on this schedule or on attachments thereto.

Supporting Schedules:

Recap Schedules:
(a) C-1

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: C-3
Title: Computation of Gross Revenue
Conversion Factor

Explanation:
Schedule showing incremental taxes on gross revenues and
the development of a gross revenue conversion factor.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Description	Percentage of Incremental Gross Revenues
Federal Income Taxes	\$ -
State Income Taxes	-
Other Taxes and Expenses:	
Payroll Taxes	1.83%
Property Taxes	3.19%
Total Tax Percentage	5.02%
Operating Income % = 100% - Tax Percentage	94.98%
Gross Revenue Conversion Factor = 1/Operating Income %	1.0528

Note: All tax percentages shall include the effect of other taxes upon the incremental rate. The applicant may use other formulas in developing the conversion factor.

Supporting Schedules:

Recap Schedules:
(a) A-1

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: D-1
Title: Summary Cost of Capital

Explanation:
Schedule showing elements of capital structure
and the related cost.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specif Reqmt	<input type="checkbox"/>

Invested Capital	End of Test Year				End of Projected Year			
	Amount	%	Cost Rate (e)	Composite Cost %	Amount	%	Cost Rate (e)	Composite Cost %
Long-Term Debt (a)	\$ 12,463	100%	10%	10%	\$ 1,073,918	100%	5.05%	5.05%
Short-Term Debt (a)	-	0%	0%	0%	-	0%	0%	0.00%
Common Equity (c)	(693,213)	0%	10%	0%	(1,048,687)	0%	10%	0.00%
Total†	\$ 12,463				\$ 1,073,918			

†Note: Negative equity is assumed to be zero for these calculations.

Supporting Schedules:

- (a) D-2
- (b) D-3
- (c) D-4
- (d) E-1

Recap Schedules:

- (e) A-3

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: E-1
Title: Comparative Balance Sheet

Explanation:
Schedule showing comparative balance sheets at the end of the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities ☒
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Spec'l Reqmt ☐

	Test Year At 31-Dec-08	Prior Year 31-Dec-07	Prior Year 31-Dec-06
ASSETS			
Property, Plant & Equipment: (a)			
101 Utility Plant In Service	\$ 2,858,608	\$ 2,411,779	\$ 2,392,226
105 Construction Work in Process		49,289	
108 Accumulated Depreciation	(1,461,206)	(1,333,757)	(1,217,968)
Total Property Plant & Equipment	\$ 1,397,402	\$ 1,127,311	\$ 1,174,258
Current Assts:			
131 Cash	\$ 50,714	\$ 6,435	\$ 31,609
141 Customer Accounts Receivable	112,060	47,489	37,478
174 Miscellaneous Current and Accrued Assets	-	50	3,517
Total Current Assets	\$ 162,774	\$ 53,974	\$ 72,604
TOTAL ASSETS	\$ 1,560,176	\$ 1,181,285	\$ 1,246,862
LIABILITIES and STOCKHOLDERS' EQUITY			
Capitalization: (b)			
218 Proprietary Capital	\$ (775,257)	\$ (533,064)	\$ (353,328)
Current Liabilities:			
231 Accounts Payable	\$ 294,938	\$ 172,487	\$ -
235 Customer Deposits	27,692	21,541	40,350
236 Accrued Taxes	4,102	3,091	1,421
Total Current Liabilities	\$ 326,732	\$ 197,119	\$ 41,771
224 Long-Term Debt (Over 12 Months)	\$ 12,463	\$ -	\$ -
Deferred Credits:			
252 Advances In Aid Of Construction	\$ 1,518,730	\$ 1,517,230	\$ 1,479,167
271 Contributions In Aid Of Construction	502,640	-	137,593
272 Less: Amortization of Contributions	(25,132)	-	(58,341)
Total Deferred Credits	\$ 1,996,238	\$ 1,517,230	\$ 1,558,419
Total Liabilities	\$ 2,335,433	\$ 1,714,349	\$ 1,600,190
TOTAL LIABILITIES and STOCKHOLDERS' EQUITY	\$ 1,560,176	\$ 1,181,285	\$ 1,246,862
Supporting Schedules:	Recap Schedules:		
(a) E-5	(b) A-3		

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: E-2
Title: Comparative Income Statements

Explanation:
Schedule showing comparative income statements for the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities ☒
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Spec'l Reqmt ☐

	Test Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07	Prior Year Ended 31-Dec-06
Revenues: (a)			
461 Metered Water Revenue	\$ 437,387	\$ 286,513	\$ 240,510
474 Other Water Revenue	6,033	9,042	15,696
Total Revenues	\$ 443,420	\$ 295,555	\$ 256,206
Operating Expenses (a)			
601 Salaries & Wages	\$ 71,814	\$ 82,841	\$ 93,653
610 Purchased Water	187,158	138,456	2,211
615 Purchased Power	38,214	11,589	36,789
618 Chemicals	919	695	1,248
620 Repairs and Maintenance	58,561	6,750	9,462
621 Office Supplies and Expense	18,166	37,066	17,830
630 Outside Services	152,005	80,993	23,369
635 Water Testing	10,447	13,346	10,495
641 Rents	-	-	2,380
650 Transportation Expense	10,277	15,120	17,247
657 Insurance - General liability	10,940	2,098	9,454
659 Insurance - Health and Life	-	1,812	-
666 Regulatory Commission Expense - Rate Case	-	-	-
675 Miscellaneous Expense	1,056	6,508	-
403 Depreciation Expense	127,449	115,789	115,171
408 Taxes Other Than Income	14,129	8,824	9,955
408 Property Taxes	8,503	15,718	14,831
409 Income Tax	-	-	-
Total Operating Expenses	\$ 709,638	\$ 537,605	\$ 364,095
OPERATING INCOME/(LOSS)	\$ (266,218)	\$ (242,050)	\$ (107,889)
Other Income/(Expense)			
419 Interest and Dividend Income			
421 Non-Utility Income	\$ -	\$ 1,227	\$ -
427 Interest Expense	(1,184)	-	-
Total Other Income/(Expense)	\$ (1,184)	\$ 1,227	\$ -
NET INCOME/(LOSS)	\$ (267,402)	\$ (240,823)	\$ (107,889)

Supporting Schedules:
(a) E-6

Recap Schedules:
A-2

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: E-5
Title: Detail of Utility Plant

Explanation:
Schedule showing utility plant balance, by detailed account number, at the end of the test year and the end of the prior fiscal year.

Required for: All Utilities ☒
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Spec'l Reqmt ☐

Account Number	Description	End of Prior Year at 31-Dec-07	Net Additions	End of Test Year at 31-Dec-08
302	Franchises	\$ 125	\$ -	\$ 125
303	Land & Land Rights	86,093	-	86,093
304	Structures & Improvements	500,114	-	500,114
307	Wells & Springs	145,786	411,803	557,589
311	Pumping Equipment	289,845	3,031	292,876
320	Water Treatment Equipment	11,504	-	11,504
320.1	Water Treatment Plants		-	-
320.2	Solution Chemical Feeders		-	-
330	Distribution Reservoirs & Standpipes	365,809	692	366,501
330.1	Storage Tanks		-	-
330.2	Pressure Tanks.		-	-
331	Transmission & Distribution Mains	569,390	10,339	579,729
333	Services	50,719	389	51,108
334	Meters & Meter Installations	88,008	5,694	93,702
335	Hydrants	35,007	-	35,007
339	Other Plant and Misc Equipment	-	-	-
340	Office Furniture & Equipment	16,552	-	16,552
340.1	Computers and Software		-	-
341	Transportation Equipment	56,483	14,881	71,364
343	Tools, Shop, and Garage Equipment	11,729	-	11,729
345	Power Operated Equipment	44,869	-	44,869
348	Other Tangible Plant	139,746	-	139,746
Total Plant In Service		\$ 2,411,779	\$ 446,829	\$ 2,858,608
Accumulated Depreciation		1,333,757	127,449	1,461,206
Net Plant In Service		\$ 1,078,022	\$ 319,380	\$ 1,397,402
Construction Work in Process		49,289		
Total Net Plant		\$ 1,127,311	\$ 319,380	\$ 1,397,402

Supporting Schedules:

Recap Schedules:
E-1 A-4

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: E-7
Title: Operating Statistics

Explanation:
Schedule showing key operating statistics in comparative format,
for the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Speci Reqmt	<input type="checkbox"/>

	Test Year	Prior Year	Prior Year
	Ended	Ended	Ended
Water Statistics:	31-Dec-08	31-Dec-07	31-Dec-06
Gallons Sold - By Class of Service:			
Residential	68,704,160	69,838,190	102,397,000
Commercial	37,917,170	37,698,810	*
Average Number of Customers - By Class of Service:			
Residential	735	731	848
Commercial	92	98	*
Average Annual Gallons Per Residential Customer	93,475	95,538	120,751
Average Annual Revenue Per Residential Customer	\$ 409.53	\$ 415.78	\$ 492.18
Pumping Cost Per 1,000 Gallons	\$ 0.8061	\$ 0.1392	\$ 0.2934

* Data available from company does not differentiate between Class of Service for 2006, commercial amounts are included with residential amounts.

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: E-8
Title: Taxes Charged to Operations

Explanation:
Schedule showing all significant taxes charged to operations for the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities ☒
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Specd Reqmt ☐

Description	Test Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07	Prior Year Ended 31-Dec-06
Federal Taxes:			
Income	\$ -	\$ -	\$ -
Payroll	6,091	6,835	7,741
Total Federal Taxes	\$ 6,091	\$ 6,835	\$ 7,741
State Taxes:			
Income	\$ -	\$ -	\$ -
Payroll	2,037	1,989	2,214
Total State Taxes	\$ 2,037	\$ 1,989	\$ 2,214
Local Taxes:			
Property	\$ 14,129	\$ 15,718	\$ 14,831
Total Taxes	\$ 22,257	\$ 24,542	\$ 24,786

NOTE: For combination utilities, the above should be presented in total and by department.

Supporting Schedules:

Recap Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: E-9
Title: Notes to Financial
Statements

Explanation:
Disclosure of important facts pertaining to the understanding
of the financial statements.

Required for: All Utilities
Class A
Class B
Class C
Class D
Speci Reqmt

X

Disclosures should include, but not be limited to the following:

1 Accounting Method.

The books of Valle Verde are kept as accrual based, and also follow NARUC rules, including the USoA.

2 Depreciation lives and methods employed by major classification of utility property.

For years up to and including the test year 2008, depreciation rates as authorized in Decision 59553 were 5% for all plant asset categories. Proposed depreciation rates are depicted on the plant schedule as part of the financing application. These rates were taken from ACC Engineering Staff Memo regarding their recommended rates for depreciation dated April 21, 2000, and revised March 1, 2001.

3 Income tax treatment - normalization or flow through.

Valle Verde Water is currently part of the Estate of William F. Randall. Prior to Mr. Randall's passing, the utility was operated as a sole proprietor, and as a result, is now part of his estate. Income taxes for Valle Verde flow through to the income tax return of the estate, Form 1041, and as such, income taxes are not part of this case.

4 Interest rate used to charge interest during construction, if applicable.

Not Applicable.

Supporting Schedules:

Recap Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: F-1
Title: Projected Income Statements
Present and Proposed Rates

Explanation:
Schedule showing an income statement for the projected year,
compared with actual test year results, at present and proposed
rates.

Required for: All Utilities ☒
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Spec'l Reqmt ☐

	Actual Test Year Ended (a) 31-Dec-08	Projected Year At Present Rates Year Ended (b) 31-Dec-09	At Proposed Rates Year Ended (b) 31-Dec-09
Operating Revenues:			
461 Metered Water Revenue	\$ 437,387	\$ 449,315	\$ 947,068
474 Other Water Revenue	6,033	6,033	6,033
Total Operating Revenue	\$ 443,420	\$ 455,348	\$ 953,101
Operating Expenses:			
601 Salaries & Wages	\$ 71,814	\$ 71,814	\$ 71,814
610 Purchased Water	187,158	187,158	187,158
615 Purchased Power	38,214	38,214	38,214
618 Chemicals	919	919	919
620 Repairs & Maintenance	58,561	58,561	58,561
621 Office Supplies and Expense	18,166	18,166	18,166
630 Outside Services	152,005	152,005	152,005
635 Water Testing	10,447	10,447	10,447
641 Rental Expense	-	-	-
650 Transportation Expense	10,277	10,277	10,277
657 Insurance - General Liability	10,940	10,940	10,940
659 Insurance - Health and Life	-	-	-
666 Rate Case Expense	-	8,333	8,333
675 Miscellaneous Expense	1,056	1,056	1,056
403 Depreciation & Amortization	127,449	166,663	166,663
408 Property Taxes	14,129	14,129	14,129
408.1 Taxes Other Than Income	8,503	8,503	8,503
409 Income Taxes	-	-	-
Total Operating Expenses	\$ 709,638	\$ 757,186	\$ 757,186
OPERATING INCOME/(LOSS)	\$ (266,218)	\$ (301,837)	\$ 195,915
Other Income/(Expense):			
419 Interest Income	\$ -	\$ -	\$ -
427 Interest Expense	(1,184)	(53,636)	(53,636)
Total Other Income/(Expense)	\$ (1,184)	\$ (53,636)	\$ (53,636)
NET INCOME/(LOSS)	\$ (267,402)	\$ (355,474)	\$ 142,279
Earnings per share of average Common Stock Outstanding	N/A	N/A	N/A
% Return on Common Equity	double negative, not meaningful		
Supporting Schedules:	Recap Schedules:		
(a) E-2	(b) A-2		

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: F-3
Title: Projected Construction
Requirements

Explanation:

Schedule showing projected annual construction requirements, by property classification, for 1 to 3 years subsequent to the test year compared with the test year.

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

X

Property Classification	Actual	Projected
	Test Year Ended 12/31/2008	Year Ended 12/31/2009
Production Plant	\$ 414,834	\$ 62,195
Transmission Plant	10,339	182,536
Total Plant	\$ 425,173	\$ 244,731

NOTE: For combination utilities, the above should be presented by department.

Supporting Schedules:

Recap Schedules:
(a) F-2 & A-4

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: F-4
Title: Assumptions Used in
Developing Projection

Explanation:
Documentation of important assumptions used in preparing
forecasts and projections

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Important assumptions used in preparing projections should be explained.

Areas covered should include:

1 Customer growth

Customer levels were flat in 2008, and that is not expected to change.

2 Growth in consumption and customer demand

No changes are anticipated.

3 Changes in expenses

The company believes the test year 2008, with the limited proforma adjustments included in this application, accurately depict expense levels going forward.

4 Construction requirements including production reserves and changes in plant capacity

Proceeds of the WIFA loan will be used to remove and replace undersized mains, interconnect wells 4 & 2, install a PRV station, install arsenic treatment equipment, and replace and/or relocate other mains and lines.

5 Capital structure changes

No changes to equity are anticipated; debt will increase if the WIFA loan is approved.

6 Financing costs, interest rates

Currently, a company vehicle is financed at 10% interest. Valle Verde is also requesting a WIFA loan for plant upgrades and arsenic treatment equipment. Terms of the loan are unknown at this point, but for purposes of this application, a 5% interest rate and a term of 20 years was used.

Supporting Schedules:

Recap Schedules:

Bill Counts

- H-1 Summary of Revenues by Customer Class - Present and Proposed Rates
 - H-2 Analysis of Revenues by Detailed Class of Service - Present and Proposed Rate Classes (A&B only)
 - H-3 Changes In Representative Rate Schedules
 - H-4 Typical Bill Analysis
 - H-5 Bill Count
-

Valle Verde Water Company
 Test Year Ended December 31, 2008

Schedule: H-1
Title: Summary of Revenues by Customer
Classification - Present and Proposed Rates

Explanation:
 Schedule comparing revenues by customer classification for
 the Test Year, at present and proposed rates.

Required for: All Utilities
 Class A
 Class B
 Class C
 Class D
 Specl Reqmt

X

Customer Classification	Revenues in the Test Year (a)		Proposed Increase (b)	
	Present Rates	Proposed Rates	Amount	%
Residential	\$ 302,452	\$ 622,554	\$ 320,101	105.84%
Commercial	152,896	330,547	177,651	116.19%
Total Revenues	\$ 455,348	\$ 953,101	\$ 497,753	109.31%

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:
 (a) H-2

Recap Schedules:
 (b) A-1

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: H-3
Title: Changes in Representative Rate
Schedules - Page 1 of 2

Explanation:
Schedule comparing present rate schedules with proposed
rate schedule.

(Rates apply to both residential and commercial usage)

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

Description	Present Rate	Proposed Rate	Percent change
MONTHLY USAGE CHARGE			
5/8" x 3/4" Meter	\$ 11.75	\$ 30.00	155%
3/4" Meter	11.90	45.00	278%
1" Meter	20.00	75.00	275%
1-1/2" Meter	31.00	150.00	384%
2" Meter	59.65	240.00	302%
3" Meter	120.00	480.00	300%
4" Meter	250.00	750.00	200%
6" Meter	500.00	1,500.00	200%
Gallons included in minimum	1,000	-	-100%

Commodity Charge (per 1,000 gallons over monthly minimum)

1,001 to 8,000 gallons	\$ 1.30	-100%
In excess of 8,000 gallons	1.47	-100%

5/8 x 3/4 - inch meter

1 - 3,000 Gallons	\$ 3.00
3,001 to 10,000 Gallons	4.50
Over 10,000 Gallons	5.65

3/4 - inch meter

1 - 3,000 Gallons	\$ 3.00
3,001 to 10,000 Gallons	4.50
Over 10,000 Gallons	5.65

One - inch meter

1 to 15,000 Gallons	\$ 4.50
Over 15,000 Gallons	5.65

One and one half - inch meter

1 to 20,000 Gallons	\$ 4.50
Over 20,000 Gallons	5.65

Two - inch meter

1 to 25,000 Gallons	\$ 4.50
Over 25,000 Gallons	5.65

Three - inch meter

1 to 70,000 Gallons	\$ 4.50
Over 70,000 Gallons	5.65

Four - inch meter

1 to 150,000 Gallons	\$ 4.50
Over 150,000 Gallons	5.65

Six - inch meter

1 to 500,000 Gallons	\$ 4.50
Over 500,000 Gallons	5.65

Emergency Interim Surcharge (per 1,000 gallons)

All gallons	\$ 1.73	-	-100%
-------------	---------	---	-------

Description	Present Rate	Proposed Rate	Percent change
SERVICE CHARGES			
Establishment	\$ 10.00	\$ 30.00	200%
Establishment (After Hours)	20.00	40.00	100%
Reconnection (Delinquent)	20.00	40.00	100%
Reconnection (Delinquent) after hours	N/A	50.00	100%
Meter Test (If Correct)	35.00	35.00	0%
Deposit	*	*	N/A
Deposit Interest	*	*	N/A
Re-Establishment (within 12 months)	**	**	N/A
NSF Check	\$ 15.00	30.00	100%
Late Fee (per month)	1.50%	1.50%	0%
Deferred Payment (per month)	1.50%	1.50%	0%
Meter Re-read (If Correct)	\$ 10.00	20.00	100%

MONTHLY SERVICE CHARGE

FOR FIRE SPRINKLER: *** *** N/A

SERVICE LINE AND METER INSTALLATION CHARGES		Proposed Rate			
Description	Present Rate	Service Line	Meter Charge	Total Charge	Percent change
5/8" x 3/4" Meter	\$ 320.00	\$ 445.00	\$ 155.00	\$ 600.00	88%
3/4" Meter	360.00	445.00	255.00	700.00	94%
1" Meter	420.00	495.00	315.00	810.00	93%
1-1/2" Meter	635.00	550.00	525.00	1,075.00	69%
2" Meter - Turbine	1,090.00	830.00	1,045.00	1,875.00	72%
2" Meter - Compound	N/A	830.00	1,890.00	2,720.00	100%
3" Meter - Turbine	1,505.00	1,045.00	1,670.00	2,715.00	80%
3" Meter - Compound	N/A	1,165.00	2,545.00	3,710.00	100%
4" Meter - Turbine	2,380.00	1,490.00	2,670.00	4,160.00	75%
4" Meter - Compound	N/A	1,670.00	3,645.00	5,315.00	100%
6" Meter - Turbine	4,655.00	2,210.00	5,025.00	7,235.00	55%
6" Meter - Compound	N/A	2,330.00	6,920.00	9,250.00	100%

* Per Commission Rule AAC R14-2-403(B)

** Number of months off system times the monthly minimum, per Commission Rule AAC R14-2-403(D).

*** 1% of monthly minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

Supporting Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: H-4
Title: Typical Bill
Analysis
Page 1 of 8

Explanation:
Schedule(s) comparing typical customer bills at varying
consumption levels at present and proposed rates.

5/8" x 3/4" meter - residential /commercial

Required for: All Utilities

Class A
Class B
Class C
Class D
Specd Reqmt

X

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	11.75 \$	30.00	155.32%
1,000	11.75	33.00	180.85%
2,000	13.05	36.00	175.86%
3,000	14.35	39.00	171.78%
4,000	15.65	43.50	177.96%
5,000	16.95	48.00	183.19%
6,000	18.25	52.50	187.67%
7,000	19.55	57.00	191.56%
8,000	20.85	61.50	194.96%
9,000	22.32	66.00	195.70%
10,000	23.79	70.50	196.34%
15,000	31.14	98.75	217.12%
20,000	38.49	127.00	229.96%
25,000	45.84	155.25	238.68%
50,000	82.59	296.50	259.00%
75,000	119.34	437.75	266.81%
100,000	156.09	579.00	270.94%
125,000	192.84	720.25	273.50%
150,000	229.59	861.50	275.23%
175,000	266.34	1,002.75	276.49%
200,000	303.09	1,144.00	277.45%

Supporting Schedules:

Valle Verde Water Company
 Test Year Ended December 31, 2008

Schedule: H-4
Title: Typical Bill
Analysis
Page 2 of 8

Explanation:	Required for: All Utilities	<input checked="" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
3/4" meter - residential/commercial	Specd Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	11.90 \$	45.00	278.15%
1,000	11.90	48.00	303.36%
2,000	13.20	51.00	286.36%
3,000	14.50	54.00	272.41%
4,000	15.80	58.50	270.25%
5,000	17.10	63.00	268.42%
6,000	18.40	67.50	266.85%
7,000	19.70	72.00	265.48%
8,000	21.00	76.50	264.29%
9,000	22.47	81.00	260.48%
10,000	23.94	85.50	257.14%
15,000	31.29	113.75	263.53%
20,000	38.64	142.00	267.49%
25,000	45.99	170.25	270.19%
50,000	82.74	311.50	276.48%
75,000	119.49	452.75	278.90%
100,000	156.24	594.00	280.18%
125,000	192.99	735.25	280.98%
150,000	229.74	876.50	281.52%
175,000	266.49	1,017.75	281.91%
200,000	303.24	1,159.00	282.21%

Supporting Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: H-4
Title: Typical Bill
Analysis
Page 3 of 8

Explanation: Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates. 1" meter - residential/commercial	Required for: All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specd Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	20.00 \$	75.00	275.00%
1,000	20.00	79.50	297.50%
2,000	21.30	84.00	294.37%
3,000	22.60	88.50	291.59%
4,000	23.90	93.00	289.12%
5,000	25.20	97.50	286.90%
6,000	26.50	102.00	284.91%
7,000	27.80	106.50	283.09%
8,000	29.10	111.00	281.44%
9,000	30.57	115.50	277.82%
10,000	32.04	120.00	274.53%
15,000	39.39	142.50	261.77%
20,000	46.74	170.75	265.32%
25,000	54.09	199.00	267.91%
50,000	90.84	340.25	274.56%
75,000	127.59	481.50	277.38%
100,000	164.34	622.75	278.94%
125,000	201.09	764.00	279.93%
150,000	237.84	905.25	280.61%
175,000	274.59	1,046.50	281.11%
200,000	311.34	1,187.75	281.50%

Supporting Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: H-4
Title: Typical Bill
Analysis
Page 4 of 8

Explanation: Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates. 1 1/2" meter - commercial	Required for: All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specd Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	31.00 \$	150.00	383.87%
1,000	31.00	154.50	398.39%
2,000	32.30	159.00	392.26%
3,000	33.60	163.50	386.61%
4,000	34.90	168.00	381.38%
5,000	36.20	172.50	376.52%
6,000	37.50	177.00	372.00%
7,000	38.80	181.50	367.78%
8,000	40.10	186.00	363.84%
9,000	41.57	190.50	358.26%
10,000	43.04	195.00	353.07%
15,000	50.39	217.50	331.63%
20,000	57.74	240.00	315.66%
25,000	65.09	268.25	312.12%
50,000	101.84	409.50	302.10%
75,000	138.59	550.75	297.40%
100,000	175.34	692.00	294.66%
125,000	212.09	833.25	292.88%
150,000	248.84	974.50	291.62%
175,000	285.59	1,115.75	290.68%
200,000	322.34	1,257.00	289.96%

Supporting Schedules:

Valle Verde Water Company
 Test Year Ended December 31, 2008

Schedule: H-4
 Title: Typical Bill
 Analysis
 Page 5 of 8

Explanation:	Required for: All Utilities	<input checked="" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
2" meter - residential/commercial	Specd Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	59.65 \$	240.00	302.35%
1,000	59.65	244.50	309.89%
2,000	60.95	249.00	308.53%
3,000	62.25	253.50	307.23%
4,000	63.55	258.00	305.98%
5,000	64.85	262.50	304.78%
6,000	66.15	267.00	303.63%
7,000	67.45	271.50	302.52%
8,000	68.75	276.00	301.45%
9,000	70.22	280.50	299.46%
10,000	71.69	285.00	297.54%
15,000	79.04	307.50	289.04%
20,000	86.39	330.00	281.99%
25,000	93.74	352.50	276.04%
50,000	130.49	493.75	278.38%
75,000	167.24	635.00	279.69%
100,000	203.99	776.25	280.53%
125,000	240.74	917.50	281.12%
150,000	277.49	1,058.75	281.55%
175,000	314.24	1,200.00	281.87%
200,000	350.99	1,341.25	282.13%

Supporting Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: H-4
Title: Typical Bill
Analysis
Page 6 of 8

Explanation:	Required for: All Utilities	<input checked="" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
3" meter - commercial	Specd Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	120.00	\$ 480.00	300.00%
1,000	120.00	484.50	303.75%
2,000	121.30	489.00	303.13%
3,000	122.60	493.50	302.53%
4,000	123.90	498.00	301.94%
5,000	125.20	502.50	301.36%
6,000	126.50	507.00	300.79%
7,000	127.80	511.50	300.23%
8,000	129.10	516.00	299.69%
9,000	130.57	520.50	298.64%
10,000	132.04	525.00	297.61%
15,000	139.39	547.50	292.78%
20,000	146.74	570.00	288.44%
25,000	154.09	592.50	284.52%
50,000	190.84	705.00	269.42%
75,000	227.59	823.25	261.73%
100,000	264.34	964.50	264.87%
125,000	301.09	1,105.75	267.25%
150,000	337.84	1,247.00	269.11%
175,000	374.59	1,388.25	270.61%
200,000	411.34	1,529.50	271.83%

Supporting Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: H-4
Title: Typical Bill
Analysis
Page 7 of 8

Explanation:	Required for: All Utilities	<input checked="checked" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
4" meter - commercial	Specd Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	250.00	\$ 750.00	200.00%
1,000	250.00	754.50	201.80%
2,000	251.30	759.00	202.03%
3,000	252.60	763.50	202.26%
4,000	253.90	768.00	202.48%
5,000	255.20	772.50	202.70%
6,000	256.50	777.00	202.92%
7,000	257.80	781.50	203.14%
8,000	259.10	786.00	203.36%
9,000	260.57	790.50	203.37%
10,000	262.04	795.00	203.39%
15,000	269.39	817.50	203.46%
20,000	276.74	840.00	203.53%
25,000	284.09	862.50	203.60%
50,000	320.84	975.00	203.89%
75,000	357.59	1,087.50	204.12%
100,000	394.34	1,200.00	204.31%
125,000	431.09	1,312.50	204.46%
150,000	467.84	1,425.00	204.59%
175,000	504.59	1,566.25	210.40%
200,000	541.34	1,707.50	215.42%

Supporting Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: H-4
Title: Typical Bill
Analysis
Page 8 of 8

Explanation:	Required for: All Utilities	<input checked="" type="checkbox"/>
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
Emergency Surcharge - all meter sizes/residential and commercial	Specd Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
- \$	- \$	-	0.00%
1,000	1.73	-	-100.00%
2,000	3.46	-	-100.00%
3,000	5.19	-	-100.00%
4,000	6.92	-	-100.00%
5,000	8.65	-	-100.00%
6,000	10.38	-	-100.00%
7,000	12.11	-	-100.00%
8,000	13.84	-	-100.00%
9,000	15.57	-	-100.00%
10,000	17.30	-	-100.00%
15,000	25.95	-	-100.00%
20,000	34.60	-	-100.00%
25,000	43.25	-	-100.00%
50,000	86.50	-	-100.00%
75,000	129.75	-	-100.00%
100,000	173.00	-	-100.00%
125,000	216.25	-	-100.00%
150,000	259.50	-	-100.00%
175,000	302.75	-	-100.00%
200,000	346.00	-	-100.00%

Supporting Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

5/8 x 3/4 inch meter - residential

Required for: All Utilities

Class A

Class B

Class C

Class D

Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	140	-	140	3.34%	-	0.00%
1,000	249	249,000	389	9.28%	249,000	0.79%
2,000	290	580,000	679	16.19%	829,000	2.62%
3,000	335	1,005,000	1,014	24.18%	1,834,000	5.79%
4,000	412	1,648,000	1,426	34.01%	3,482,000	11.00%
5,000	423	2,115,000	1,849	44.10%	5,597,000	17.68%
6,000	376	2,256,000	2,225	53.06%	7,853,000	24.81%
7,000	372	2,604,000	2,597	61.94%	10,457,000	33.03%
8,000	294	2,352,000	2,891	68.95%	12,809,000	40.46%
9,000	218	1,962,000	3,109	74.15%	14,771,000	46.66%
10,000	211	2,110,000	3,320	79.18%	16,881,000	53.33%
10,001 to 12,000	283	3,113,000	3,603	85.93%	19,994,000	63.16%
12,001 to 14,000	168	2,184,000	3,771	89.94%	22,178,000	70.06%
14,001 to 16,000	118	1,770,000	3,889	92.75%	23,948,000	75.65%
16,001 to 18,000	80	1,360,000	3,969	94.66%	25,308,000	79.95%
18,001 to 20,000	44	836,000	4,013	95.71%	26,144,000	82.59%
20,001 to 25,000	73	1,642,500	4,086	97.45%	27,786,500	87.78%
25,001 to 30,000	35	962,500	4,121	98.28%	28,749,000	90.82%
30,001 to 35,000	28	910,000	4,149	98.95%	29,659,000	93.69%
35,001 to 40,000	19	712,500	4,168	99.40%	30,371,500	95.94%
40,001 to 50,000	12	540,000	4,180	99.69%	30,911,500	97.65%
50,001 to 60,000	11	605,000	4,191	99.95%	31,516,500	99.56%
60,001 to 70,000	1	65,000	4,192	99.98%	31,581,500	99.76%
70,001 to 80,000	1	75,000	4,193	100.00%	31,656,500	100.00%
80,001 to 90,000	-	-	4,193	100.00%	31,656,500	100.00%
90,001 to 100,000	-	-	4,193	100.00%	31,656,500	100.00%
Over 100,000	-	-	4,193	100.00%	31,656,500	100.00%
	4,193	31,656,500				

Average Number of Customers 349
Average Consumption 7,550
Median Consumption 5,658

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

5/8 x 3/4 inch meter - commercial

Required for: All Utilities
Class A
Class B
Class C
Class D
Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	13	-	13	6.99%	-	0.00%
1,000	20	20,000	33	17.74%	20,000	1.38%
2,000	22	44,000	55	29.57%	64,000	4.43%
3,000	16	48,000	71	38.17%	112,000	7.75%
4,000	9	36,000	80	43.01%	148,000	10.24%
5,000	12	60,000	92	49.46%	208,000	14.39%
6,000	14	84,000	106	56.99%	292,000	20.21%
7,000	9	63,000	115	61.83%	355,000	24.57%
8,000	12	96,000	127	68.28%	451,000	31.21%
9,000	15	135,000	142	76.34%	586,000	40.55%
10,000	11	110,000	153	82.26%	696,000	48.16%
10,001 to 12,000	13	143,000	166	89.25%	839,000	58.06%
12,001 to 14,000	7	91,000	173	93.01%	930,000	64.36%
14,001 to 16,000	1	15,000	174	93.55%	945,000	65.39%
16,001 to 18,000	3	51,000	177	95.16%	996,000	68.92%
18,001 to 20,000	1	19,000	178	95.70%	1,015,000	70.24%
20,001 to 25,000	2	45,000	180	96.77%	1,060,000	73.35%
25,001 to 30,000	-	-	180	96.77%	1,060,000	73.35%
30,001 to 35,000	2	65,000	182	97.85%	1,125,000	77.85%
35,001 to 40,000	1	37,500	183	98.39%	1,162,500	80.45%
40,001 to 50,000	-	-	183	98.39%	1,162,500	80.45%
50,001 to 60,000	1	55,000	184	98.92%	1,217,500	84.25%
60,001 to 70,000	-	-	184	98.92%	1,217,500	84.25%
70,001 to 80,000	1	75,000	185	99.46%	1,292,500	89.44%
80,001 to 90,000	-	-	185	99.46%	1,292,500	89.44%
90,001 to 100,000	-	-	185	99.46%	1,292,500	89.44%
Over 100,000	1	152,580	186	100.00%	1,445,080	100.00%
	186	1,445,080				

Average Number of Customers 16
Average Consumption 7,769
Median Consumption 5,071

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate
schedule.

3/4 inch meter - residential

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	214	-	214	4.80%	-	0.00%
1,000	245	245,000	459	10.30%	245,000	0.74%
2,000	294	588,000	753	16.90%	833,000	2.52%
3,000	422	1,266,000	1,175	26.37%	2,099,000	6.34%
4,000	417	1,668,000	1,592	35.73%	3,767,000	11.37%
5,000	449	2,245,000	2,041	45.80%	6,012,000	18.15%
6,000	386	2,316,000	2,427	54.47%	8,328,000	25.14%
7,000	330	2,310,000	2,757	61.87%	10,638,000	32.12%
8,000	316	2,528,000	3,073	68.96%	13,166,000	39.75%
9,000	243	2,187,000	3,316	74.42%	15,353,000	46.36%
10,000	226	2,260,000	3,542	79.49%	17,613,000	53.18%
10,001 to 12,000	299	3,289,000	3,841	86.20%	20,902,000	63.11%
12,001 to 14,000	194	2,522,000	4,035	90.55%	23,424,000	70.72%
14,001 to 16,000	129	1,935,000	4,164	93.45%	25,359,000	76.57%
16,001 to 18,000	93	1,581,000	4,257	95.53%	26,940,000	81.34%
18,001 to 20,000	45	855,000	4,302	96.54%	27,795,000	83.92%
20,001 to 25,000	71	1,597,500	4,373	98.14%	29,392,500	88.74%
25,001 to 30,000	30	825,000	4,403	98.81%	30,217,500	91.24%
30,001 to 35,000	18	585,000	4,421	99.21%	30,802,500	93.00%
35,001 to 40,000	11	412,500	4,432	99.46%	31,215,000	94.25%
40,001 to 50,000	8	360,000	4,440	99.64%	31,575,000	95.33%
50,001 to 60,000	4	220,000	4,444	99.73%	31,795,000	96.00%
60,001 to 70,000	3	195,000	4,447	99.80%	31,990,000	96.59%
70,001 to 80,000	4	300,000	4,451	99.89%	32,290,000	97.49%
80,001 to 90,000	2	170,000	4,453	99.93%	32,460,000	98.01%
90,001 to 100,000	1	95,000	4,454	99.96%	32,555,000	98.29%
Over 100,000	2	565,370	4,456	100.00%	33,120,370	100.00%
	4,456	33,120,370				

Average Number of Customers 371
Average Consumption 7,433
Median Consumption 5,480

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

3/4 inch meter - commercial

Required for: All Utilities
Class A
Class B
Class C
Class D
Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	16	-	16	6.11%	-	0.00%
1,000	72	72,000	88	33.59%	72,000	4.10%
2,000	40	80,000	128	48.85%	152,000	8.66%
3,000	16	48,000	144	54.96%	200,000	11.39%
4,000	14	56,000	158	60.31%	256,000	14.58%
5,000	5	25,000	163	62.21%	281,000	16.00%
6,000	15	90,000	178	67.94%	371,000	21.13%
7,000	15	105,000	193	73.66%	476,000	27.11%
8,000	7	56,000	200	76.34%	532,000	30.30%
9,000	4	36,000	204	77.86%	568,000	32.35%
10,000	6	60,000	210	80.15%	628,000	35.76%
10,001 to 12,000	12	132,000	222	84.73%	760,000	43.28%
12,001 to 14,000	8	104,000	230	87.79%	864,000	49.20%
14,001 to 16,000	5	75,000	235	89.69%	939,000	53.47%
16,001 to 18,000	3	51,000	238	90.84%	990,000	56.38%
18,001 to 20,000	4	76,000	242	92.37%	1,066,000	60.71%
20,001 to 25,000	6	135,000	248	94.66%	1,201,000	68.39%
25,001 to 30,000	3	82,500	251	95.80%	1,283,500	73.09%
30,001 to 35,000	3	97,500	254	96.95%	1,381,000	78.64%
35,001 to 40,000	2	75,000	256	97.71%	1,456,000	82.92%
40,001 to 50,000	4	180,000	260	99.24%	1,636,000	93.17%
50,001 to 60,000	1	55,000	261	99.62%	1,691,000	96.30%
60,001 to 70,000	1	65,000	262	100.00%	1,756,000	100.00%
70,001 to 80,000	-	-	262	100.00%	1,756,000	100.00%
80,001 to 90,000	-	-	262	100.00%	1,756,000	100.00%
90,001 to 100,000	-	-	262	100.00%	1,756,000	100.00%
Over 100,000	-	-	262	100.00%	1,756,000	100.00%
	262	1,756,000				

Average Number of Customers 22
Average Consumption 6,702
Median Consumption 2,188

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

1 inch meter - residential

Required for: All Utilities
Class A
Class B
Class C
Class D
Specil Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	15	-	15	11.81%	-	0.00%
1,000	8	8,000	23	18.11%	8,000	0.33%
2,000	6	12,000	29	22.83%	20,000	0.83%
3,000	6	18,000	35	27.56%	38,000	1.58%
4,000	2	8,000	37	29.13%	46,000	1.92%
5,000	1	5,000	38	29.92%	51,000	2.13%
6,000	3	18,000	41	32.28%	69,000	2.88%
7,000	6	42,000	47	37.01%	111,000	4.63%
8,000	3	24,000	50	39.37%	135,000	5.63%
9,000	4	36,000	54	42.52%	171,000	7.13%
10,000	14	140,000	68	53.54%	311,000	12.97%
10,001 to 12,000	8	88,000	76	59.84%	399,000	16.64%
12,001 to 14,000	7	91,000	83	65.35%	490,000	20.44%
14,001 to 16,000	3	45,000	86	67.72%	535,000	22.31%
16,001 to 18,000	3	51,000	89	70.08%	586,000	24.44%
18,001 to 20,000	2	38,000	91	71.65%	624,000	26.03%
20,001 to 25,000	9	202,500	100	78.74%	826,500	34.47%
25,001 to 30,000	8	220,000	108	85.04%	1,046,500	43.65%
30,001 to 35,000	3	97,500	111	87.40%	1,144,000	47.71%
35,001 to 40,000	3	112,500	114	89.76%	1,256,500	52.40%
40,001 to 50,000	5	225,000	119	93.70%	1,481,500	61.79%
50,001 to 60,000	2	110,000	121	95.28%	1,591,500	66.38%
60,001 to 70,000	2	130,000	123	96.85%	1,721,500	71.80%
70,001 to 80,000	1	75,000	124	97.64%	1,796,500	74.93%
80,001 to 90,000	1	85,000	125	98.43%	1,881,500	78.47%
90,001 to 100,000	-	-	125	98.43%	1,881,500	78.47%
Over 100,000	2	516,190	127	100.00%	2,397,690	100.00%
	127	2,397,690				

Average Number of Customers 11
Average Consumption 18,879
Median Consumption 9,679

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

1 inch meter - commercial

Required for: All Utilities
Class A
Class B
Class C
Class D
Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	40	-	40	10.39%	-	0.00%
1,000	31	31,000	71	18.44%	31,000	0.66%
2,000	27	54,000	98	25.45%	85,000	1.81%
3,000	33	99,000	131	34.03%	184,000	3.91%
4,000	28	112,000	159	41.30%	296,000	6.29%
5,000	18	90,000	177	45.97%	386,000	8.21%
6,000	17	102,000	194	50.39%	488,000	10.38%
7,000	17	119,000	211	54.81%	607,000	12.91%
8,000	15	120,000	226	58.70%	727,000	15.46%
9,000	12	108,000	238	61.82%	835,000	17.75%
10,000	15	150,000	253	65.71%	985,000	20.94%
10,001 to 12,000	23	253,000	276	71.69%	1,238,000	26.32%
12,001 to 14,000	15	195,000	291	75.58%	1,433,000	30.47%
14,001 to 16,000	18	270,000	309	80.26%	1,703,000	36.21%
16,001 to 18,000	7	119,000	316	82.08%	1,822,000	38.74%
18,001 to 20,000	6	114,000	322	83.64%	1,936,000	41.16%
20,001 to 25,000	16	360,000	338	87.79%	2,296,000	48.82%
25,001 to 30,000	10	275,000	348	90.39%	2,571,000	54.66%
30,001 to 35,000	9	292,500	357	92.73%	2,863,500	60.88%
35,001 to 40,000	6	225,000	363	94.29%	3,088,500	65.66%
40,001 to 50,000	7	315,000	370	96.10%	3,403,500	72.36%
50,001 to 60,000	4	220,000	374	97.14%	3,623,500	77.04%
60,001 to 70,000	3	195,000	377	97.92%	3,818,500	81.19%
70,001 to 80,000	1	75,000	378	98.18%	3,893,500	82.78%
80,001 to 90,000	1	85,000	379	98.44%	3,978,500	84.59%
90,001 to 100,000	2	190,000	381	98.96%	4,168,500	88.63%
Over 100,000	4	534,920	385	100.00%	4,703,420	100.00%
	385	4,703,420				

Average Number of Customers 32
Average Consumption 12,217
Median Consumption 5,912

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

1 1/2" meter - commercial

Required for: All Utilities
Class A
Class B
Class C
Class D
Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	-	-	-	0.00%	-	0.00%
1,000	1	1,000	1	2.78%	1,000	0.05%
2,000	2	4,000	3	8.33%	5,000	0.25%
3,000	-	-	3	8.33%	5,000	0.25%
4,000	-	-	3	8.33%	5,000	0.25%
5,000	-	-	3	8.33%	5,000	0.25%
6,000	-	-	3	8.33%	5,000	0.25%
7,000	1	7,000	4	11.11%	12,000	0.61%
8,000	-	-	4	11.11%	12,000	0.61%
9,000	4	36,000	8	22.22%	48,000	2.45%
10,000	1	10,000	9	25.00%	58,000	2.96%
10,001 to 12,000	2	22,000	11	30.56%	80,000	4.08%
12,001 to 14,000	3	39,000	14	38.89%	119,000	6.07%
14,001 to 16,000	4	60,000	18	50.00%	179,000	9.13%
16,001 to 18,000	-	-	18	50.00%	179,000	9.13%
18,001 to 20,000	2	38,000	20	55.56%	217,000	11.06%
20,001 to 25,000	6	135,000	26	72.22%	352,000	17.95%
25,001 to 30,000	-	-	26	72.22%	352,000	17.95%
30,001 to 35,000	1	32,500	27	75.00%	384,500	19.60%
35,001 to 40,000	-	-	27	75.00%	384,500	19.60%
40,001 to 50,000	1	45,000	28	77.78%	429,500	21.90%
50,001 to 60,000	1	55,000	29	80.56%	484,500	24.70%
60,001 to 70,000	-	-	29	80.56%	484,500	24.70%
70,001 to 80,000	-	-	29	80.56%	484,500	24.70%
80,001 to 90,000	-	-	29	80.56%	484,500	24.70%
90,001 to 100,000	-	-	29	80.56%	484,500	24.70%
Over 100,000	7	1,477,000	36	100.00%	1,961,500	100.00%
	36	1,961,500				

Average Number of Customers 3
Average Consumption 54,486
Median Consumption 16,000

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

2 inch meter - residential

Required for: All Utilities
Class A
Class B
Class C
Class D
Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	-	-	-	0.00%	-	0.00%
1,000	-	-	-	0.00%	-	0.00%
2,000	-	-	-	0.00%	-	0.00%
3,000	-	-	-	0.00%	-	0.00%
4,000	-	-	-	0.00%	-	0.00%
5,000	-	-	-	0.00%	-	0.00%
6,000	-	-	-	0.00%	-	0.00%
7,000	-	-	-	0.00%	-	0.00%
8,000	-	-	-	0.00%	-	0.00%
9,000	-	-	-	0.00%	-	0.00%
10,000	-	-	-	0.00%	-	0.00%
10,001 to 12,000	-	-	-	0.00%	-	0.00%
12,001 to 14,000	-	-	-	0.00%	-	0.00%
14,001 to 16,000	-	-	-	0.00%	-	0.00%
16,001 to 18,000	-	-	-	0.00%	-	0.00%
18,001 to 20,000	-	-	-	0.00%	-	0.00%
20,001 to 25,000	-	-	-	0.00%	-	0.00%
25,001 to 30,000	-	-	-	0.00%	-	0.00%
30,001 to 35,000	-	-	-	0.00%	-	0.00%
35,001 to 40,000	-	-	-	0.00%	-	0.00%
40,001 to 50,000	-	-	-	0.00%	-	0.00%
50,001 to 60,000	-	-	-	0.00%	-	0.00%
60,001 to 70,000	-	-	-	0.00%	-	0.00%
70,001 to 80,000	-	-	-	0.00%	-	0.00%
80,001 to 90,000	-	-	-	0.00%	-	0.00%
90,001 to 100,000	2	190,000	2	16.67%	190,000	12.42%
Over 100,000	10	1,339,600	12	100.00%	1,529,600	100.00%
	12	1,529,600				

Average Number of Customers 1
Average Consumption 127,467
Median Consumption 114,800

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

2 inch meter - commercial

Required for: All Utilities
Class A
Class B
Class C
Class D
Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	32	-	32	13.85%	-	0.00%
1,000	2	2,000	34	14.72%	2,000	0.01%
2,000	-	-	34	14.72%	2,000	0.01%
3,000	2	6,000	36	15.58%	8,000	0.03%
4,000	5	20,000	41	17.75%	28,000	0.11%
5,000	6	30,000	47	20.35%	58,000	0.23%
6,000	3	18,000	50	21.65%	76,000	0.31%
7,000	10	70,000	60	25.97%	146,000	0.59%
8,000	1	8,000	61	26.41%	154,000	0.62%
9,000	5	45,000	66	28.57%	199,000	0.80%
10,000	3	30,000	69	29.87%	229,000	0.92%
10,001 to 12,000	6	66,000	75	32.47%	295,000	1.18%
12,001 to 14,000	5	65,000	80	34.63%	360,000	1.45%
14,001 to 16,000	5	75,000	85	36.80%	435,000	1.75%
16,001 to 18,000	5	85,000	90	38.96%	520,000	2.09%
18,001 to 20,000	6	114,000	96	41.56%	634,000	2.54%
20,001 to 25,000	9	202,500	105	45.45%	836,500	3.36%
25,001 to 30,000	7	192,500	112	48.48%	1,029,000	4.13%
30,001 to 35,000	9	292,500	121	52.38%	1,321,500	5.30%
35,001 to 40,000	6	225,000	127	54.98%	1,546,500	6.21%
40,001 to 50,000	7	315,000	134	58.01%	1,861,500	7.47%
50,001 to 60,000	6	330,000	140	60.61%	2,191,500	8.80%
60,001 to 70,000	5	325,000	145	62.77%	2,516,500	10.10%
70,001 to 80,000	4	300,000	149	64.50%	2,816,500	11.31%
80,001 to 90,000	6	510,000	155	67.10%	3,326,500	13.35%
90,001 to 100,000	3	285,000	158	68.40%	3,611,500	14.50%
Over 100,000	73	21,301,270	231	100.00%	24,912,770	100.00%
	231	24,912,770				

Average Number of Customers 19
Average Consumption 107,847
Median Consumption 31,944

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

3 inch meter - commercial

Required for: All Utilities

Class A

Class B

Class C

Class D

Specd Reqm

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	2	-	2	6.25%	-	0.00%
1,000	2	2,000	4	12.50%	2,000	0.08%
2,000	1	2,000	5	15.63%	4,000	0.16%
3,000	-	-	5	15.63%	4,000	0.16%
4,000	-	-	5	15.63%	4,000	0.16%
5,000	-	-	5	15.63%	4,000	0.16%
6,000	-	-	5	15.63%	4,000	0.16%
7,000	-	-	5	15.63%	4,000	0.16%
8,000	4	32,000	9	28.13%	36,000	1.40%
9,000	-	-	9	28.13%	36,000	1.40%
10,000	1	10,000	10	31.25%	46,000	1.79%
10,001 to 12,000	-	-	10	31.25%	46,000	1.79%
12,001 to 14,000	2	26,000	12	37.50%	72,000	2.80%
14,001 to 16,000	1	15,000	13	40.63%	87,000	3.39%
16,001 to 18,000	4	68,000	17	53.13%	155,000	6.04%
18,001 to 20,000	2	38,000	19	59.38%	193,000	7.52%
20,001 to 25,000	-	-	19	59.38%	193,000	7.52%
25,001 to 30,000	2	55,000	21	65.63%	248,000	9.66%
30,001 to 35,000	1	32,500	22	68.75%	280,500	10.93%
35,001 to 40,000	1	37,500	23	71.88%	318,000	12.39%
40,001 to 50,000	-	-	23	71.88%	318,000	12.39%
50,001 to 60,000	2	110,000	25	78.13%	428,000	16.67%
60,001 to 70,000	-	-	25	78.13%	428,000	16.67%
70,001 to 80,000	1	75,000	26	81.25%	503,000	19.59%
80,001 to 90,000	-	-	26	81.25%	503,000	19.59%
90,001 to 100,000	-	-	26	81.25%	503,000	19.59%
Over 100,000	6	2,064,400	32	100.00%	2,567,400	100.00%
	32	2,567,400				

Average Number of Customers 3
Average Consumption 80,231
Median Consumption 17,500

Supporting Schedules:

Recap Schedules:

Valle Verde Water Company
Test Year Ended December 31, 2008

Schedule: H-5
Title: Bill Count
Page 11 of 13

Explanation:
Schedule(s) showing billing activity by block for each rate
schedule.

4 inch meter - commercial

Required for: All Utilities
Class A
Class B
Class C
Class D
Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	-	-	-	0.00%	-	0.00%
1,000	-	-	-	0.00%	-	0.00%
2,000	-	-	-	0.00%	-	0.00%
3,000	-	-	-	0.00%	-	0.00%
4,000	-	-	-	0.00%	-	0.00%
5,000	-	-	-	0.00%	-	0.00%
6,000	-	-	-	0.00%	-	0.00%
7,000	-	-	-	0.00%	-	0.00%
8,000	2	16,000	2	16.67%	16,000	2.80%
9,000	-	-	2	16.67%	16,000	2.80%
10,000	-	-	2	16.67%	16,000	2.80%
10,001 to 12,000	-	-	2	16.67%	16,000	2.80%
12,001 to 14,000	-	-	2	16.67%	16,000	2.80%
14,001 to 16,000	-	-	2	16.67%	16,000	2.80%
16,001 to 18,000	-	-	2	16.67%	16,000	2.80%
18,001 to 20,000	-	-	2	16.67%	16,000	2.80%
20,001 to 25,000	1	22,500	3	25.00%	38,500	6.74%
25,001 to 30,000	-	-	3	25.00%	38,500	6.74%
30,001 to 35,000	1	32,500	4	33.33%	71,000	12.43%
35,001 to 40,000	-	-	4	33.33%	71,000	12.43%
40,001 to 50,000	3	135,000	7	58.33%	206,000	36.08%
50,001 to 60,000	-	-	7	58.33%	206,000	36.08%
60,001 to 70,000	3	195,000	10	83.33%	401,000	70.23%
70,001 to 80,000	1	75,000	11	91.67%	476,000	83.36%
80,001 to 90,000	-	-	11	91.67%	476,000	83.36%
90,001 to 100,000	1	95,000	12	100.00%	571,000	100.00%
Over 100,000	-	-	12	100.00%	571,000	100.00%
	12	571,000				

Average Number of Customers 1
Average Consumption 47,583
Median Consumption 46,667

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

Emergency Surcharge - residential

Required for: All Utilities
Class A
Class B
Class C
Class D
Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	343	-	343	4.25%	-	0.00%
1,000	456	456,000	799	9.91%	456,000	0.71%
2,000	535	1,070,000	1,334	16.55%	1,526,000	2.39%
3,000	697	2,091,000	2,031	25.19%	3,617,000	5.66%
4,000	750	3,000,000	2,781	34.50%	6,617,000	10.35%
5,000	780	3,900,000	3,561	44.17%	10,517,000	16.46%
6,000	691	4,146,000	4,252	52.74%	14,663,000	22.95%
7,000	662	4,634,000	4,914	60.95%	19,297,000	30.20%
8,000	556	4,448,000	5,470	67.85%	23,745,000	37.16%
9,000	433	3,897,000	5,903	73.22%	27,642,000	43.26%
10,000	421	4,210,000	6,324	78.44%	31,852,000	49.84%
10,001 to 12,000	550	6,050,000	6,874	85.26%	37,902,000	59.31%
12,001 to 14,000	347	4,511,000	7,221	89.57%	42,413,000	66.37%
14,001 to 16,000	234	3,510,000	7,455	92.47%	45,923,000	71.86%
16,001 to 18,000	165	2,805,000	7,620	94.52%	48,728,000	76.25%
18,001 to 20,000	83	1,577,000	7,703	95.55%	50,305,000	78.72%
20,001 to 25,000	144	3,240,000	7,847	97.33%	53,545,000	83.79%
25,001 to 30,000	68	1,870,000	7,915	98.18%	55,415,000	86.72%
30,001 to 35,000	47	1,527,500	7,962	98.76%	56,942,500	89.11%
35,001 to 40,000	30	1,125,000	7,992	99.13%	58,067,500	90.87%
40,001 to 50,000	23	1,035,000	8,015	99.42%	59,102,500	92.49%
50,001 to 60,000	17	935,000	8,032	99.63%	60,037,500	93.95%
60,001 to 70,000	5	325,000	8,037	99.69%	60,362,500	94.46%
70,001 to 80,000	5	375,000	8,042	99.75%	60,737,500	95.05%
80,001 to 90,000	3	255,000	8,045	99.79%	60,992,500	95.44%
90,001 to 100,000	3	285,000	8,048	99.83%	61,277,500	95.89%
Over 100,000	14	2,626,360	8,062	100.00%	63,903,860	100.00%
	8,062	63,903,860				

Average Number of Customers 672
Average Consumption 7,927
Median Consumption 5,680

Supporting Schedules:

Recap Schedules:

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

Emergency Surcharge - commercial

Required for: All Utilities

Class A

Class B

Class C

Class D

Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	96	-	96	9.13%	-	0.00%
1,000	116	116,000	212	20.17%	116,000	0.33%
2,000	84	168,000	296	28.16%	284,000	0.80%
3,000	60	180,000	356	33.87%	464,000	1.31%
4,000	53	212,000	409	38.92%	676,000	1.91%
5,000	39	195,000	448	42.63%	871,000	2.46%
6,000	46	276,000	494	47.00%	1,147,000	3.23%
7,000	45	315,000	539	51.28%	1,462,000	4.12%
8,000	38	304,000	577	54.90%	1,766,000	4.98%
9,000	37	333,000	614	58.42%	2,099,000	5.92%
10,000	33	330,000	647	61.56%	2,429,000	6.85%
10,001 to 12,000	55	605,000	702	66.79%	3,034,000	8.55%
12,001 to 14,000	36	468,000	738	70.22%	3,502,000	9.87%
14,001 to 16,000	29	435,000	767	72.98%	3,937,000	11.10%
16,001 to 18,000	19	323,000	786	74.79%	4,260,000	12.01%
18,001 to 20,000	19	361,000	805	76.59%	4,621,000	13.03%
20,001 to 25,000	39	877,500	844	80.30%	5,498,500	15.50%
25,001 to 30,000	20	550,000	864	82.21%	6,048,500	17.05%
30,001 to 35,000	23	747,500	887	84.40%	6,796,000	19.16%
35,001 to 40,000	13	487,500	900	85.63%	7,283,500	20.53%
40,001 to 50,000	21	945,000	921	87.63%	8,228,500	23.20%
50,001 to 60,000	14	770,000	935	88.96%	8,998,500	25.37%
60,001 to 70,000	11	715,000	946	90.01%	9,713,500	27.38%
70,001 to 80,000	7	525,000	953	90.68%	10,238,500	28.86%
80,001 to 90,000	7	595,000	960	91.34%	10,833,500	30.54%
90,001 to 100,000	6	570,000	966	91.91%	11,403,500	32.15%
Over 100,000	85	24,068,200	1,051	100.00%	35,471,700	100.00%
	1,051	35,471,700				

Average Number of Customers 88
Average Consumption 33,750
Median Consumption 6,700

Supporting Schedules:

Recap Schedules:

EXHIBIT 4

WATER USE DATA SHEET

NAME OF COMPANY	Valle Verde Water Company
ADEQ Public Water System Number:	12-009

MONTH/YEAR (12 Months of Test Year)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)
1. January 2008	732	5,058	614
2. February 2008	733	4,994	497
3. March 2008	731	4,687	1,094
4. April 2008	736	4,952	1,247
5. May 2008	739	7,631	1,025
6. June 2008	741	9,505	933
7. July 2008	744	9,702	912
8. August 2008	743	4,738	980
9. September 2008	738	5,413	968
10. October 2008	730	6,503	1,030
11. November 2008	730	5,679	4,400
12. December 2008	731	4,602	2,841
			*
TOTAL	N/A	73,464	16,541

Is the water utility located in an ADWR Active Management Area ("AMA")?

YES NO

Does the Company have an ADWR gallons per capita day ("GPCD") requirement?

YES NO

If Yes, please provide the GPCD amount: 121

Note: If you are filing for more than one system, please provide separate data sheets for each system. For explanation of any of the above, please contact the Engineering Supervisor at 602-542-7277.

** Gallons pumped cannot equal or be less than the gallons sold.*

WATER USE DATA SHEET

NAME OF COMPANY	Valle Verde Water Company
ADEQ Public Water System Number:	12-025

MONTH/YEAR (12 Months of Test Year)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)
1. January 2008	90	1,837	1,732
2. February 2008	92	1,699	2,217
3. March 2008	93	1,652	2,338
4. April 2008	90	1,498	2,566
5. May 2008	91	2,817	2,566
6. June 2008	92	3,729	2,891
7. July 2008	91	2,981	4,426
8. August 2008	93	2,287	1,905
9. September 2008	93	1,778	2,046
10. October 2008	93	3,571	2,188
11. November 2008	93	3,315	4,573
12. December 2008	93	2,106	1,419
TOTAL	N/A	29,270	30,867

Is the water utility located in an ADWR Active Management Area ("AMA")?

YES NO

Does the Company have an ADWR gallons per capita day ("GPCD") requirement?

YES NO

If Yes, please provide the GPCD amount: 121

Note: If you are filing for more than one system, please provide separate data sheets for each system. For explanation of any of the above, please contact the Engineering Supervisor at 602-542-7277.

** Gallons pumped cannot equal or be less than the gallons sold.*

EXHIBIT 5

Company Name: Valle Verde Water Company	Test Year Ended: 31-Dec-08
ADEQ PWS 12-025	

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-500951	50	350	400	16	6	1982
55-502001	40	600	450	16	6	1982
55-582348		450	300	12	3	2001

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS

Horsepower	Quantity
15	2
30	3
25	2
50	1
100	2

FIRE HYDRANTS

Quantity Standard	Quantity Other
32	

STORAGE TANKS

Capacity	Quantity
800,000	1
200,000	1

PRESSURE TANKS

Capacity	Quantity
5,000	2
10,000	1

Company Name: Valle Verde Water Company

Test Year Ended: 31-Dec-08

ADEQ PWS 12-025

WATER COMPANY PLANT DESCRIPTION CONTINUED**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		
Amounts included on page for system 12-009		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	68
3/4	4
1	9
1 1/2	
2	8
Comp. 3	2
Turbo 3	
Comp. 4	1
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, please list the utility owned assets in each category.

TREATMENT EQUIPMENT:

Four inch PVC Chlorinator using Chlorine Tablets

STRUCTURES:**OTHER:**

Company Name: Valle Verde Water Company	Test Year Ended: 31-Dec-08
ADEQ PWS 12-009	

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-6170	30	200	105	12	4	1954
55-617054	30	350	260	16	6	1972
55-617055	15	130	220	12	3	1971
55-513789	10	70	203	12	3	1987
55-801847	30	400	93	10	4	1933

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
City of Nogales	200	75,309

BOOSTER PUMPS

Horsepower	Quantity
N/A	

FIRE HYDRANTS

Quantity Standard	Quantity Other
13	

STORAGE TANKS

Capacity	Quantity
N/A	

PRESSURE TANKS

Capacity	Quantity
7,000	1
3,000	2
7,500	1
10,000	1

Company Name: Valle Verde Water Company

Test Year Ended: 31-Dec-08

ADEQ PWS 12-009

MAINS*

Size (in inches)	Material	Length (in feet)
2	PVC	8,397
3	AC	920
4	PVC	16,560
5		
6	PVC	19,818
8	PVC	3,220
10		
12	PVC	400
16	PVC	2,175
18	PVC	1,070
3	Steel	1,300
4	AC	8,299

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	316
3/4	404
1	38
1 1/2	3
2	12
Comp. 3	3
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, please list the utility owned assets in each category.

TREATMENT EQUIPMENT:

Four inch PVC Chlorinator using Chlorine Tablets

STRUCTURES:

Office at 12 Garden View in Nogales

12 x 10 foot building at Well #2

OTHER:

* Mains length amounts include both system 12-009 and 12-025, no separate detail available

EXHIBIT 6

To Be Late Filed

EXHIBIT 7



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY
MONITORING ASSISTANCE PROGRAM
ANNUAL SAMPLING FEE INVOICE

* Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to wilful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 10544	Invoice Number 65511
To: SOUTHWESTERN UTILITY MANAGEMENT, INC PO BOX 85160 TUCSON AZ 85754 <i>Valle Verde Water</i>	Public Water System ID #: 12025
	Billing for Calendar Year: 2009
	Due Date: November 17, 2008
	Total Amount Due \$ 453.03
	Amount Paid \$

↑ Keep the top portion for your records. ↑

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #866004791

Annual Sampling Fee Invoice

Invoice # 65511

SOUTHWESTERN UTILITY MANAGEMENT, INC PO BOX 85160 TUCSON AZ 85754 <i>Valle Verde Water</i>	Owner Id #: 10544 MAP
	Billing for Calendar Year: 2009
TUCSON AZ 857542025 - Southwestern Utility Management,	Due Date: 11/17/2008

ANNUAL SAMPLING FEE WORKSHEET

PAID
OCT 17 2008

Base Fee (all MAP systems)	\$ 250.00
Fee per Connection in 2009 79 connections X \$ 2.57	\$ 203.03
Total Sampling Fee	\$ 453.03
Plus Paid Interest Charges and/or Other Adjustments	\$ 0.00
Plus Unpaid Interest Charges as of 10/01/2008	\$ 0.00
Minus Payments Received and/or Other Adjustments	\$ 0.00
Amount Due	\$ 453.03
Amount received by ADEQ (Make check payable to State of Arizona)	\$

* A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality
PO Box 18228
Phoenix, AZ 85005

Check Number:
Received:
Postmarked:
Entered:

CS3 10/01/2008 WMS0000



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY

MONITORING ASSISTANCE PROGRAM

ANNUAL SAMPLING FEE INVOICE

* Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 8099	Invoice Number 65251
To: VALLE VERDE WATER CO 12 GARDEN VIEW DR NOGALES AZ 85621	Public Water System ID #: 12009
	Billing for Calendar Year: 2009
	Due Date: November 17, 2008
	Total Amount Due \$ 2,172.36
	Amount Paid \$

↑ Keep the top portion for your records. ↑

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #866004791

Annual Sampling Fee Invoice

Invoice # 65251

VALLE VERDE WATER CO 12 GARDEN VIEW DR NOGALES AZ 85621	Owner Id #: 8099 Billing for Calendar Year: 2009 Due Date: 11/17/2008	MAP
12009 - Valle Verde Water Co		

ANNUAL SAMPLING FEE WORKSHEET

NOV 27 2008

Base Fee (all MAP systems)	\$ 250.00
Fee per Connection in 2009	748 connections X \$ 2.57
	\$ 1,922.36
Total Sampling Fee	\$ 2,172.36
Plus Paid Interest Charges and/or Other Adjustments	\$ 0.00
Plus Unpaid Interest Charges as of 10/01/2008	\$ 0.00
Minus Payments Received and/or Other Adjustments	\$ 0.00
Amount Due	\$ 2,172.36
Amount received by ADEQ (Make check payable to State of Arizona)	\$

* A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to **State of Arizona**
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality
PO Box 18228
Phoenix, AZ 85005

Check Number:
Received:
Postmarked:
Entered:

CS1 10/01/2008
WMS/000000